LOCAL GOVERNMENT TAX CONTROL BOARD

RECOMMENDATIONS

TO THE

DEPARTMENT OF LOCAL GOVERNMENT FINANCE

FROM

APRIL 26, 2007

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Call to Order

Dave Christian called the April 26th 2007 Local Government Tax Control Board meeting to order at 9:00 am. Board members present were Dave Christian, Dan Jones, Pat McGarvey (representing the State Board of Accounts), Lisa Decker, Ken Giffin, John Stafford and Ken Kobe. Judy Robertson was the administrative officer for the meeting.

Recommendation:
Ken Giffin motioned to recommend approval of the March 22nd 2007 Minutes. John Stafford seconded and the motion carried 7-0.

Perry Township, Monroe County
General Obligation Bonds

Summary: The unit is requesting approval to issue bonds in the amount of $500,000 for a term of six (6) years for the purpose of renovating twelve (12) units of transitional housing currently owned by the Township.

Project Costs: $500,000 Amount applied to debt: $500,000 Annual Payment: $87,662

Controlled or Uncontrolled: Uncontrolled

Tax Rate Impact:	2006 AV	$2,148,956,856
	Levy Needed	$78,847
	Est. Debt Service Rate	.0037

Meeting and Publication Dates:
Resolution/Ordinances adopted 04/02/2007

Common Construction Wage: 04/04/2007 Vote: 4-0-1 abstained

Attendance
The following people attended the meeting: Dan Combs (Trustee), and Karl Sturbaum (Bond Counsel).

Discussion:
Dan Combs: We have owned an apartment block for about twelve years and there has been no maintenance done on it. We use it to house homeless families or families in transition. We need to completely renovate the units and make it ADA assessable, and bring all the utilities up to code. It was under a grandfather clause when we bought it. We have held off on doing any repairs until we could do them all at one time. The Salvation Army has just vacated the apartments and we are going to renovate them before we contract services out again. The apartments are only available to Perry Township residents who are currently on township assistance. Ten units will be available for family units (family meaning more than one person), and two units will be for on-site monitoring.

Questions by board members:
Ken G: Are these people Monroe County natives?

Dan Combs: No, there are very few Monroe County natives. Bloomington tax rates are some of the highest in the state. The people are not natives, but they are established in the township. A group pushing us to contract out to them for services is called "Stepping Stones"; they work with un-emancipated minors. The way that government assistance laws are right now, no one helps un-emancipated minors. Catholic Charities is also interested in using one of the buildings for homeless families. A third group is called Shelter, Inc and also works with children in transition. The value of the complex is currently between $800,000 and $900,000. We have brought the City in on this project.

There will be no tax rate impact because we are retiring one bond issue this year and the payment for the new bond issue is almost exactly the same. This project is a thirty-year program.

Ken K: What were the previous bonds used for?
Dan C.: We purchased an office building that had a food pantry, a women's clothing store for women entering the work force for the first time, and some other programs.

Ken G: What is your target population?
Dan C.: At any one time, we could have twenty clients if we use Stepping Stones. If we go with Catholic Services, the maximum would be four kids plus two adults per unit. If we choose Shelter, Inc. the maximum would be three kids per unit. The reason the Salvation Army dropped their program is because they lost their federal funding. The federal government changed its' requirements and the Salvation Army no longer qualified.

Ken G.: What is the purpose of the program?
Dan C: The purpose of the program is to educate, train and rehabilitate people so that they are financially stable and no longer on any government program.

Ken K.: How many other townships offer this kind of program?
Dan C.: We have been recognized nationally for our service to the homeless. There are maybe ten townships in Indiana that offer shelter or own apartment complexes.

Ken K.: Has there been a lot of public discussion about the program?
Dan C.: I personally have been interviewed by the radio station concerning our plans. It has been in the newspapers and we have held public meetings. In the twenty years we have been doing this, we have had less than ten complaints – mostly about the financing of the program.

Dan J.: You have only the one outstanding debt? Have you ever applied for emergency township assistance loans?
Dan C.: We have only the one debt that we are retiring this year. We are quite solvent and have never applied for an emergency loan. We broke our own rule of not cutting the levy a few years back and paid for it when the levy was frozen. It has cramped our style in being able to do all the things we want to do.

Dan J.: How does the eighteen cent township assistance rate compare to the rest of the township?
Dan C.: We don't have an eighteen cent rate. I apologize, the information is incorrect on the hearing information sheet; the rate is 1.8¢.

Dan J.: Was an official statement issued?
Answer: No because it is less than $1,000,000.

Dan J.: Was a tax exempt opinion prepared?
Answer: Yes.

John: If you did not own these apartments, you would have to offer a stipend for housing costs, correct? By doing it this way, you can renovate the apartments and have a debt rate outside the maximum levy?
Dan C.: Yes, we would have to offer a housing stipend. We did it this way in order to contract for services. In order to receive federal grants, you have to provide what's called a "continuum of care". If we did this through our township assistance fund, it would costs us $800 to $900 per month. If it is kids that need help, we could not provide it by law - they would be out there on the streets. Monroe County Commissioners are involved with Stepping Stones and other youth shelters.

Recommendation:
Ken Giffin motioned to recommend approval to issue general obligation bonds in the amount of $500,000 for a term of seven (7) years. Lisa seconded and the motion carried 7-0.

City of Bedford, Lawrence County
Fire Equipment Loan

Summary: The unit is requesting approval to obtain a loan in the amount of $440,000 outside the maximum levy for a term of five (5) years for the purpose of purchasing a 100' midmount aerial fire truck.

Project Costs: $840,000 Amount applied to debt: $440,000 Annual Payment: $100,000

Controlled or Uncontrolled: Controlled

Tax Rate Impact:	2006 AV	$487,709,960
	Levy Needed	$100,000
	Est. Debt Service Rate	.0205

Meeting and Publication Dates:

Date of publication for a public hearing	11/03/2006 & 12/02/2006
Date of public hearings	11/14/2006 & 12/12/2006
Resolution/Ordinances adopted	01/09/2007
Notice of Determination	01/16/2007

Auditor's Certificate of No Remonstrance: 02/16/2007

Common Construction Wage: N/A

Comments: By what statutory authority are they obtaining a loan and requesting a debt service rate outside the maximum levy (see I.C. 36-4-6-19 & 20)?

Attendance
The following people attended the meeting: Donna Brumbaugh (Clerk Treasurer).

Discussion:
Donna began by showing photographs of the existing truck they want to replace and of the new truck they want to purchase.

Questions by board members:
Dave: This is a bank loan, not bonds?
Donna: Yes; I have received several quotes. The lowest interest rate is 4.04 for a five-year term.

Dave: Did you advertise for five or ten years?
Donna: We hope to have a five-year term and have it outside the maximum levy. If it has to be within the levy, it will have to be a term of ten years. I talked with our field representative, Bob Purlee, and he told me to use the hearing information sheet that townships use and gave me a copy of the hearing information sheet. I faxed Judy a copy of the notes that Bob gave me on how to apply for approval. I have spoken a couple times with Judy and understand that this might not qualify for a debt service rate outside the maximum levy.

Dan J.: I.C. 36-1-10-7 requires a petition signed by 50 or more taxpayers. The petition does not say for or against. Did the County Auditor verify the signatures as taxpayers?
Donna: The Auditor did verify and there were no objections.

Ken G.: With the consolidation of fire services being in “vogue” now, can equipment be recycled from one department’s surplus to another smaller department?
Dan: That does happen to some extent, but mostly by the time a truck is retired, it is not usable anymore.
Donna: The current truck is twenty-seven years old has only a 50’ ladder, which was sufficient back when it was purchased new. We now have apartment complexes that are three stories tall. We contract with the County for extraction services. We do share equipment with them.

John: Do you have a CCD fund, and if so, what do you use it for?
Donna: Yes, we do have a CCD fund and we are using some of the balance to make a down payment on the truck.

John: Why not use the CCD fund to make future payments?
Donna: The Mayor has pledged the funds for road projects.

Lisa: Has there been any public comments?
Donna: No negative comments that I have heard.

Recommendation:
John motioned to recommend approval of a bank loan in the amount of $440,000 for a term not to exceed ten (10) years. The motion is subject to the DLGF approving the debt rate outside the maximum levy or if the payments will need to be within the maximum levy. Lisa seconded and the motion carried 7-0.

Monroe County Redevelopment Commission, Monroe County Redevelopment District Bonds

Summary: The unit is requesting approval to issue bonds in the amount of $5,000,000 for a term of eighteen (18) years. The proceeds will be used to finance the construction of the Indiana Center for the Life Sciences.

Project Costs: $5,000,000 Amount applied to debt: $5,000,000 Annual Payment: $627,300

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: TIF

Tax Rate Impact:	2006 AV	$5,233,302,664
	Levy Needed	$627,300
	Est. Debt Service Rate	.0120

Meeting and Publication Dates:

Resolution/Ordinances adopted	03/26/2007	
Resolution/Ordinances adopted	04/13/2007	approving the issuance of bonds

Auditor's Certificate of No Remonstrance 04/24/2007

Common Construction Wage: 04/04/2007 Vote: 4-0-1 abstained

Attendance
The following people attended the meeting: Lucy Emison (Bond Counsel with Ice Miller), George Telthorst (Bloomington Life Sciences Partnership, Interim Director), David Schilling (Monroe County Attorney), James Tolen (Vice President of the Monroe County Redevelopment Commission), Clint Merkel (Monroe County Community Development Director), Dick Tully (Executive Director of Facilities Planning, Ivy Tech Community College), Greg Guerrettaz (Financial Advisor with Financial Solutions Group), Joyce Poling (Monroe County Commissioner), and Charles Newman (Monroe County Council member, in opposition).

Discussion:
Joyce Poling: (read from a prepared statement, see file for complete statement).
The statement addressed the following items:

- Heart wrenching situations
  - Closing of RCA Thomson
  - Downsizing of GE
  - The closing of many small related companies
- Possible actions by Monroe County
  - What can we as public officials do
  - How can we invest in our human capital
  - How can we better prepare our workers for the new economy & the new century
- Possible solution
  - The Indiana Center for Life Sciences is part of the solution
  - A collaborative effort of many in the community

- Life sciences
    - Life sciences companies in the region are projected to create 1200 to 1500 jobs
    - Those jobs require specific education and training
    - This facility will add much needed laboratory training and classroom space

The State of Indiana has asked that we think and work collaboratively and regionally as we work on job creation. We feel this project fulfills the State's vision and supports our local vision of providing a 21st Century workforce.

Dick Tully showed the architectural rending of the facility and went over the design of each area.

Greg Guerrettaz explained the funding mechanism and how it was designed. This is a pre-existing TIF District that has only one outstanding debt, which they recently refinanced. It seems to be a stable, seasoned district. This project falls well into the purpose of the District. GE is already established there, but has personal property included. They looked at the assessed value of GE very cautiously because of the personal property.

Questions by board members:
Dave: When does the District expire?
Lucy: It was established in 1993 and pre-dates the thirty-year limit.

Dave: What kind of coverage do you have to make the bond payments?
Greg: It has in excess of 150%. We are wrapping this debt around the old debt that is retiring.

Dave: Does GE have plans to move out?
Clint: Not at this time – they are planning to expand one line in order to meet EPA standards.
Greg: This District is subject to the on-going review process and therefore we must do an annual report.

Dave: Who else is in the District?
Answer: Industries like Cook International Headquarters, Baxter, Cook Pharmica and spin offs like Bio Convergence. Industries related to life sciences.
Clint: The Life Sciences facility will be centrally located to the other industry businesses.

Ken K: What is the purpose of the facility?
Clint: It will be a training and education center for companies to bring their new employees to and also to educate and train new people wanting to enter the workforce.

Dave: Who will own the building?
David S.: It is owned by the Redevelopment Commission and will be leased by Ivy Tech. The labs will be used by industries to train new employees. It is also a workforce development area.

Ken K: What is the Ivy Tech lease term?
David: It will coincide with the term of the bonds – eighteen years.

Dave: What happens at the end of the lease?
Dick Tully: We will own the building and continue to operate it.
David: This is a land lease and at the end of the lease, it will be negotiated who owns it, whether it will be a buy-out and other details as necessary.

Dave: What is the impact on taxpayers?
Lucy: There will be none, this is a tax-exempt issue.

John: On page 15 of your District Annual Report you trace the cash balance of the District. How much was actually unobligated and available at the end of 2006?
Greg: There is still a lot going on in the District, including road projects that have already been contracted out.

John: On page 22 it shows the history of the assessed value. There has been a lot of fluctuation, up and down with the values - is it because of inventory deduction? The assessed value seems to have stabilized in 2006.
Greg: One reason was because of the GE personal property that fell off and then was brought back in and another reason was that Cook came into the District.

John: Where do you show the coverage estimate?
Greg: I don't think that is a part of the annual report. I can figure that out right quick, taking the outstanding debt listed in the annual report, plus the amortization schedule for this project, I calculate that the coverage is 2.4.

James Tolen: The District was originally formed to capture a $150 million property by GE. This is the most exciting project in my fifteen-year tenure on the Redevelopment Commission. It is exciting because of all the parties involved in this project. When we saw the number of players, we were excited at the outcome. Cook has plants in eight different Countries. We researched this very carefully because we had never built or owned a building. We need to think about what this will mean to so many and how it will add to the community.

Opposition
Charles Newman: I am concerned about the TIF process in Indiana. I have specific questions about how TIF is implemented. The County Council has no input into how the money is spent and it is the County taxpayer's money that is being spent. I am also concerned about the way the meetings are advertised and publicly noticed. There is a lack of transparency on this issue. The problem is with who is paying for this, and that is Monroe County taxpayers, but it is a regional benefit area. Morgan, Owen, Greene, Daviess, Lawrence, Brown County taxpayers will all benefit from this.

Further questions by board members:
Dave: What are you asking from us?
Charles: Not to approve it because it is not a valid use of Monroe County TIF monies. Monroe County has three TIF Districts and the City has seven.

Lisa: Has all the minimum required notices been done?
Charles: Yes, the bare minimums.
Clint: I would like to say that I advertised the meetings in both papers, it was discussed on three radio station interviews and I personally have been interviewed by the media on this project.

Ken K: Did Ivy Tech ask the Legislature for a State Appropriation in order to build the facility?

Dick Tully: We may do that as an alternative in the future, but it was quicker and would meet the need in Bloomington faster by doing it this way.

Dan: Is there a limit on how much money the TIF District can capture?
Lucy: No, there is no limit.

Recommendation:
Lisa motioned to recommend approval of redevelopment district bonds in the amount of $5,000,000 for a term of eighteen (18) years. John seconded and the motion carried 4-2 with Dave and Ken K opposing. (Ken G. had left the meeting temporarily).

City of North Vernon, Jennings County
General Obligation Bonds

Summary: The unit is requesting approval to issue bonds in the amount of $355,000 for a term of five (5) years. Proceeds will be used to purchase fourteen city police cars and one police cargo van.

Project Costs: $355,000 Amount applied to debt: $355,000 Annual Payment: $80,746

Controlled or Uncontrolled: Uncontrolled

Tax Rate Impact:	2006 AV	$243,115,470
	Levy Needed	$69,569
	Est. Debt Service Rate	.0286

Meeting and Publication Dates:

Date of publication for a public hearing	02/20; 02/22; 02/27; 03/01/2007
Date of public hearings	03/12/2007
Resolution/Ordinances adopted	03/12/2007
Notice of Determination	03/22/2007

Auditor's Certificate of No Remonstrance: 04/25/2007

Comments: By what statutory authority are they obtaining a loan and requesting a debt service rate outside the maximum levy (see I.C. 36-4-6-19 & 20)? The HIS says GO bonds, but there is no bond counsel listed or bond financial costs associated with the issue. The resolution says bond (loan) and does not reference an IC Code. The advertisement references the code site for issuance of bonds or execution of a lease.

Attendance
The following people attended the meeting: Frank Cummings (Consultant), John G. Hall (Mayor), James D. Webster (Chief of Police), Roger W. Short (Clerk Treasurer), Rita L. Elmore (Assistant Clerk Treasurer), and David Shaw (City Council President).

Discussion:
Frank: This is a debt service with a local bank – not a bond issuance.

Questions by board members:

Dan: What is the code cite for a city doing a bank loan and having a debt service rate?
Frank: Well, it is 6-1.1 code.

Dan: Was the code cite included in the advertisement?
Frank: Yes, 6-1.1-20 was cited.

Dan: Which fund will make the debt payment?
Frank: They already have a debt service fund and we will include this payment in that fund.

John: How many cars do you have in the squad?
James Webster: We currently have eleven and we are replacing all of them plus an additional three cars. The current cars are driven by two or three officers. Our plan is to assign one person per car for the purpose of hopefully extending the life of the cars from three to five or six years.

Dave: How many miles do the cars have?
James: An average of 50,000-70,000.

Dave: How did you purchase the existing cars?
James: It was part of the budget process; we were able to include the lease/purchase payments in the budget.

Dan: Why didn't you do that this time?
Frank: Because it will save them interest doing it this way and it is more flexible.

Dave: Why are you purchasing new vehicles now when the cars have relatively low mileage?
Mayor: The miles are all hard miles – all city driving. The warranty has expired on them and our experience is that the maintenance costs escalate once the warranty has expired. We still have normal maintenance, but the other maintenance costs increases. It is more cost effective and easier by doing it now.
James: The industry standard is to take the actual mileage times three to get the "true" mileage of a police car because of engine, transmission and axle wear. At least, that is what I have been told.

Dan: Why aren't you using cum funds to purchase the vehicles?
Mayor: Those funds are already obligated.

Recommendation:
Ken K. motioned to recommend approval of a bank loan in the amount of $355,000 for a term of five (5) years. Lisa seconded and the motion carried 5-1 with Dan opposed and Ken G. not present during this presentation.

Sugar Creek Township, Hancock County
Emergency Fire Loan

Summary: The unit is requesting approval to obtain a loan in the amount of $592,362 for a term of one (1) year for the purpose of financing fire fighters salaries, FICA, health insurance and pension payments.

Project Costs: $592,362 Amount applied to debt: $592,362 Annual Payment $631,586

Emergency Loan Calculation:	2007 proposed	Budget Information	Amount
Certified Property Taxes	$1,024,202	Advertised Budget	$2,828,340
Certified Misc. Revenue	$1,188,548	Adopted Budget	$2,828,340
Jan. 1st Cash Balance (June 30)	$23,228		
Total Funds Available	$2,235,978		
Less: Prior Year Encumbrances	$0	Approved Budget	
Less: Estimated Expenses	$2,828,340	by the DLGF	
Funds Needed	**$(592,362)**	**DLGF cut Budget**	

Tax Rate Impact:	2006 AV	$654,033,250
	Levy Needed	$568,427
	Est. Tax Rate	.0869

Meeting and Publication Dates:

Date of publication for a public hearing	03/08/2007
Date of public hearing	03/20/2007
Resolution/Ordinance adopted	03/20/2007
Notice of Determination	03/22/2007

Auditor's Certificate of No Remonstrance 04/25/2007

Attendance
The following people attended the meeting: D. J. Davis (Attorney), Robert E. Broyer (Trustee), Niki Franklin (Financial Advisor), Eric Reedy (Financial Advisor), and Gerald O. Morganthall, Jr. (Fire Chief).

Discussion:
D.J. Davis presented a handout that detailed the following items:

- Composition of the Township
- Construction in the Township
- Staffing of the fire department and related issues
- Emergency loan requested amount and tax rate impact
  - They have modified the amount originally requested of $592,362 to $544,171

Questions by board members:
Ken K.: When did you last receive a levy increase due to an appeal?
Eric: We receive one this year for increased pensions. I do not remember when they last appealed due to the three-year cycle.
Judy: They received an increase due to emergency borrowing in 2004. They would have qualified again this year.

The trustee spoke about his history with the fire department as a volunteer and some of his plans to control expenses, including new programs. He has also turned off cell phones and other measures to decrease expenses.

Ken K.: What is the long-term goal you have for the department as far as full-time versus volunteers?

Robert: I plan on hiring part-time firefighters and possibly students who are interested in order to keep it a combination department. The first thing I did was to hire a fire chief that is experienced in combination departments. The previous fire chief only knew how to run a full-time paid department and he was not interested in anything else. There are several programs out there that have been successfully utilized on the east coast, in Colorado and other states. I plan on implementing some of them here.

Recommendation:
Ken G. motioned to recommend approval of an emergency fire loan in the amount of $544,171 for a term of one (1) year. Lisa seconded and the motion carried 6-0-1 with Ken K. abstaining.

Miami Township, Cass County
Emergency Fire Loan

Summary: The unit is requesting approval to obtain a loan in the amount of 134,483 for a term of one (1) year for the purpose of funding the fire contract through 2007.

Project Costs: $134,483 Amount applied to debt: $134,483 Annual Payment: $143,992

Emergency Loan Calculation:	2007 proposed	Budget Information	Amount
Certified Property Taxes	$12,772	Advertised Budget	$30,000
Certified Misc. Revenue	$15,145	Adopted Budget	$30,000
Jan. 1st Cash Balance (June 30)	$11,460		
Total Funds Available	$39,377		
Less: Prior Year Encumbrances	$0	Approved Budget	
Less: Estimated Expenses	$173,860	by the DLGF	$25,867
Funds Needed	**$(134,483)**	**DLGF cut Budget**	$4,133

Note: The estimated expenses are $143,860 over the adopted budget. The advertised and adopted budget is $30,000 and total funds available are $39,377.

Tax Rate Impact:	2006 AV	$45,773,840
	Levy Needed	$122,393
	Est. Tax Rate	.2674

Meeting and Publication Dates:

Date of publication for a public hearing	02/12/2007
Date of public hearing	02/22/2007
Resolution/Ordinance adopted	02/22/2007
Notice of Determination	03/02/2007

Auditor's Certificate of No Remonstrance 04/03/2007

Attendance
The following people attended the meeting: Eric Reedy (Financial Advisor), Kyle Anderson (Trustee), Leonard Webb (Secretary/Treasurer of the New Waverly Fire Department), Niki Franklin (Financial Advisor), and Steve Buschmann (Attorney).

Discussion:
Eric presented a handout that detailed the following items:

- Composition and geography of the Township
- Construction in the Township
- Staffing of the fire department and related issues
- NFPA standard and the department's non-compliance with those standards
- Emergency loan requested amount and tax rate impact
    - The amount was modified by the unit from $134,483 to $114,972

Questions by board members:
Dave: The 42 hours of training and the minimum standards you mentioned – these are just recommendations, not mandates, correct?
Kyle: Yes, they are not mandated. They are standards set by NFPA and the National Heart Association.

Dave: The 2005 and 2006 emergency loans were for $11,000 and this year's is $115,000 – why the big jump?
Kyle: The previous years' loans were only to meet the contractual amount. It did not cover maintenance, supplies, insurance, or any other expenses related to operating the department.

Dave: What has changed this year?
Eric: The change is that this year they are requesting the fund to hire two paid stand-by firefighters, plus they have never had a budget before, only the contract.

Ken G.: Do you provide insurance in case a firefighter is harmed or fatally hurt?
Steve: By state law, the township must provide insurance for firefighters on the job.
Leonard: The insurance amount in the budget is to cover the building and equipment.

Ken K.: So if my calculations are correct, you are going from a budget of $30,000 last year, to $150,000 this year and approximately $200,000 next year because it will be a full year for the paid stand-by's?
Eric: Yes, approximately.

Dan: On page 2, question 9 of the hearing information sheet, you show a total tax rate increase of 7.23% - does that seem right to you?
Eric: The Township is starting as such a low levy it doesn't take much to see an impact.

Dave: What is the $25,000 for equipment for - do you have an equipment list?
Kyle: Last year, pager expense alone was $23,000 and the hand-held radios were $13,000.
Eric: Yes, we do have an equipment list – it is for breathing apparatus and equipment for the new hires.

John: Going from $11,000 to $114,000 – no way. It is too much, too soon. If I said $50,000, how would you trim this request down? Why not purchase the capital out of the cum fund?
Eric: They do not have a cum fund. They are looking into establishing one.

Dan: I would like to point out that this is an extreme burden to the taxpayers. We are sitting on top of a major revolt from the taxpayers.

Lisa: What are the more urgent items on this budget – payroll or all the other stuff?

Leonard: Payroll, plus the $12,000 - $15,000 it takes to equip two firefighters.

Recommendation:
Ken G. motioned to recommend deferral of this request until the next meeting. John seconded and the motion carried 7-0.

Town of New Carlisle, St. Joseph County
General Obligation Bonds

Summary: The unit is requesting approval to issue bonds in the amount of $700,000 for a term of eight (8) years. Proceeds of the bonds will be used for road improvements, construct a new garage, and renovate the Town Hall by replacing old inefficient windows and mechanical equipment.

Project Costs: $783,044 Amount applied to debt: $700,000 Annual Payment: $131,200

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact: 2006 AV $159,746,190
Levy Needed $118,080
Est. Tax Rate .0739

Meeting and Publication Dates:
Resolution/Ordinance adopted: 03/27/2007
Notice of Determination: **Missing**

Auditor's Certificate: 04/24/2007

Common Construction Wage: **Missing – has not been held yet; will schedule next month.**

Attendance
The following people attended the meeting: Pattie Zelmer (Bond Counsel with Ice Miller), Pat Cummings (Public Works Director), and Curt Pletcher (Financial Advisor with H.J. Umbaugh).

Questions by board members:
Dave: Are you using toll road money?
Pat Cummings: We are using some of it, about $189,000. The project will be bid and constructed by the end of the year, we hope. We have budgeted $783,000 and requesting debt in the amount of $700,000. The rest of the funding is coming from Major Moves and CEDIT revenues. We have held several meetings since last September and there have been no remonstrators. The Council approved this unanimously.

Dave: Do you have a breakdown of costs per project?
Pat: No, I do not have that. The individual hearing sheets shows the costs of the buildings, the rest is set aside for the road project.

Ken K.: Are all the local funds applied to the road project?
Pat: Yes.

John: Do you have a CCD fund and if so, what do you use it for?
Pat: Yes, we do have a CCD fund. The most recent use was to buy the current Town Hall building from the library and to do some minor renovations to it.

John: The anticipated tax rate is seven cents?
Curt: The net is five cents because we are retiring one debt.

John: Have you had any public comments?
Pat: They have all been very positive.

Dan: Are you going to insure these bonds?
Curt: No, they are such a small amount, we will not need to.

Recommendation:
John motioned to recommend approval to issue general obligation bonds in the amount of $700,000 for a term of eight (8) years. Ken K. seconded and the motion carried 7-0.

Lake County Redevelopment Commission, Lake County Redevelopment District Bonds

Summary: The unit is requesting approval to issue bonds in the amount of $2,940,000 for a term of ten (10) years. Proceeds of the bonds will be used to finance road improvements, including acquisition of easements, construction of storm and sanitary sewers, water lines, street lighting and other miscellaneous public infrastructure as may be required for new development. Also, traffic signal improvements may be needed in certain areas.

Project Costs: $6,500,000 Amount applied to debt: $2,940,000 Annual Payment: $1,586,400

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: TIF

Tax Rate Impact:	2006 AV	$19,210,322,805	$2,733,307,567
	Levy Needed	$1,427,760	$1,427,260
	Est. Tax Rate	.0074	.0522

Meeting and Publication Dates:

Resolution/Ordinance adopted	12/20/2006	Preliminary Determination
	03/21/2007	Bond Resolution
Notice of Determination	01/19 & 26/2007	

Auditor’s Certificate of No Remonstrance 04/16/2007

Common Construction Wage: 04/02/2007 Vote: 4-0-1 abstained

Attendance
The following people attended the meeting: John Brezik (Lake County RDC President), Gene Krasoczka (Lake County Redevelopment Chief Deputy), Denari Kane (Hobart Director of Development), Steve Truchan (Hobart City Engineer), Lisa A. Lee (Bond Counsel with Ice Miller), Richard Treptow (Financial Advisor with H.J. Umbaugh), Matt Reardon (SEH Inc. Financial Advisor for the Developer).

Discussion:
John B.: This is a wonderful opportunity to affect both Hobart and Merrillville, and ultimately, the whole County.

Lisa Lee: I would like to give a brief history of the TIF District. It was established in 1992 by the County. Merrillville Schools objected and filed suit. That action brought together the County and the School and eventually resulted in a win-win situation. They entered into an agreement that was approved by the Court. Hobart later annexed the entire TIF District. The City and County Redevelopment obtained an order from the then Tax Review Board on how the assessed value was going to be assigned and how the revenue was to be handled. The School, City and County Redevelopment re-negotiated the original agreement and again came to a win-win-win situation.

Denari: This parcel sits directly behind US 30 and has a lot of potential due to its proximity to I65. We wanted a mixed use purpose that included professional offices, retail and a small residential area. In order to make it happen, we knew we would need to offer some incentives to developers. The plan that we chose (and believe me, we received some really awful plans) is one that addressed all the components of a mixed use purpose. It will have less of an impact on the Hobart and Merrillville School District's budget.

Questions by board members:
Ken G: The architectural fees seem very high to me – almost nine percent. Normal fees are 3 ¼ to 3 ½; total financial fees are twenty percent, which is way out of line with what we have seen. What is so different about this project?
Steve: There are several complex issues that have to be dealt with, including drainage problems. This area is currently a wetland area and it involves complex engineering and designs.
Lisa: This is also a very comprehensive project.
Matt: The fee is for preliminary engineering design and the bid process for the road improvements. It is not for one single building.

Dave: Do you have a map showing the TIF District?
Answer: Yes, we do. (They showed the map and pointed out the TIF District and surrounding areas)

John: What is the primary source of revenue in the District?
Answer: There is no one single source, but a lot of retail stores, like Kohl's.

Dan: Page 2 of the hearing information sheet shows a rate of $8.95 – is that for Hobart? The tax rate is high and I am concerned about the circuit breaker impact. This project will have a significant impact on the rate.
Richard: The debt service amortization schedule and coverage schedule has the circuit breaker built into them.

Dave: Lisa, this question is directed more to you, I think – explain the revenue and settlement agreement a little more.
Lisa: The total coverage is 400%, but the settlement agreement only allows us to keep 125% coverage. The agreement stipulates that anything above the 125% is disbursed and passed back to the underlying units.

Dave: What is the term of the TIF?
Lisa: It was established before the thirty-year limit, but because of the settlement agreement, the District will be rescinded in 2016, after the term of the bonds expire.

John: This is an unusual debt service schedule, can you explain why?
Richard: Because of trending and tax collections being behind, we have deferred the first payment until next year when we will have a double collection. Also, the area is fully TIF'd.

Ken G.: On page five of the hearing information sheet you have $294,000 in "Other", what is that for?
Richard: That is the debt service reserve fund.

Dave: What would be the impact if the Illiana went through?
Denari: That would serve northwest Indiana and, my belief, is that is will continue to attract development.
Answer: Also, it is ten miles south of this area. Illiana would help with the large heavy truck traffic.

Ken K.: Going back to the soft costs of the project – how can you assure us that these costs were addressed?
Lisa: We have the top professionals working on this for the last four years. We believe that these costs are the maximum that occur, and some may come in less than the amount estimated.
Matt: This project is 230 acres of development. The issues that need to be addressed are complex drainage issues, bike trails, easements, wetlands, to name a few. It is a complex and multi-use design.

Recommendation:
Ken K. motioned to recommend approval of redevelopment district bonds in the amount of $2,940,000 for a term of ten (10) years. Lisa seconded and the motion carried 7-0.

Steuben County Unit, Steuben County
General Obligation Bonds

Summary: The unit is requesting approval to issue bonds in the amount of $1,850,000 for a term of three (3) years. Proceeds of the bonds will be used to purchase capital equipment for several county departments, including the Sheriff, EMS, and Communications.

Project Costs: $1,850,000 Amount applied to debt: $1,850,000 Annual Payment: $676,241

Controlled or Uncontrolled: Uncontrolled

Tax Rate Impact:	2006 AV	$2,658,210,522
	Levy Needed	$619,552
	Est. Tax Rate	.0233

Meeting and Publication Dates:

Resolution/Ordinance adopted 03/13/2007

Attendance

The following people attended the meeting: Pamela Coleman (Auditor), Jeffrey Peters (Accountant), Linda Hansen (County Council member), and Kirk E. Grable (Bond Counsel with Barnes & Thornburg).

Discussion:

Pamela read from a prepared statement. See file for full presentation. The following issues were discussed:

- Brief history as to why they have considered a bond issuance
  - Increased maintenance costs because they could not maintain rotation cycle
  - Other departments that would use the rotated vehicles are in need of a vehicle
- Ambulance fleet needs
  - Need to remount, and possibly replace, two ambulances
  - Need for five new ALS heart monitors
- Communications capital outlays
  - Upgrading of computer servers, internet connections
  - GIS upgrade to the Sheriff's Dept to tie the GIS into the 911 system
- Three-year computer needs for the County
  - Courthouse annex needs 84 computers and printers
  - Equipment for bank/door/panic alarm monitoring
  - Community Center & Courthouse needs 89 pieces of equipment
- GIS Department needs
  - Upgrading static layers of the GIS database to include Surveyors Ditch Dept., Building and Planning Dept., Auditor's Office, and the 911 System,
  - Static layers include topographic layers, utility layers and landmarks
- Geographical aspects of the County
  - Two major highways, one federal highway and many private lake lanes
  - Population of 33,625 with over 40,000 parcels
  - Tri-State University and Pokagon State Park both in the County
  - The County maintains the lowest tax rate in the State
- Steps in deciding to issue bonds
- No one in opposition and the resolution and ordinance were both approved unanimously

Linda Hansen: There was no public reaction. We have kept the public informed of our intention to issue short-term bonds. The taxpayers are very aware of our situation and are very supportive.

Questions by board members:

John: Did you consider doing a lease/purchase instead of issuing bonds?

Jeff: Not really - this way has the lowest interest rate. Also, they have an almost $18 million debt capacity with no outstanding debt. The impact on an average home of $100,000 is $7 per year.

Recommendation:

Ken G. motioned to recommend approval to issue general obligation bonds in the amount of $1,850,000 for a term of three (3) years. Lisa seconded and the motion carried 6-0-1 with Ken K. abstaining.

Jay County Redevelopment Commission, Jay County
Redevelopment District Bonds

Summary: The unit is requesting approval to issue bonds in the amount of $1,405,000 for a term of fifteen (15) years. Proceeds of the bonds will be used to finance the extension of sanitary sewer service to a new ethanol plant, and improvements and repairs to county roads near the plant.

Project Costs: $1,405,000 Amount applied to debt: $1,405,000 Annual Payment: $154,600

Controlled or Uncontrolled: Uncontrolled
Revenue Source for Property Tax Backup: TIF

Tax Rate Impact:	2006 AV	$747,485,975
	Levy Needed	$154,600
	Est. Tax Rate	.0207

Meeting and Publication Dates:

Date of publication for a public hearing	02/19 & 21/2007
Date of public hearing	03/05/2007
Resolution/Ordinance adopted	03/26/2007
Notice of Determination	03/27/2007
Auditor's Certificate of No Remonstrance	04/19/2007

Common Construction Wage: 03/26/2007 Vote: 4-0

Attendance
The following people attended the meeting: Sue Beesley (Bond Counsel with Bingham McHale), Greg Guerrettaz (Financial Advisor with FSG Corp.), and Bradley Burkett (Jay County Redevelopment).

Discussion:
Sue: I'm sorry, but our client had to leave a few minutes ago, he had another meeting across the street. The funds will be used for infrastructure only. This is only the tax exempt portion.

Greg: This project is to improve and create roads to a new Ethanol Plant that is being constructed in the County. The County Council has looked at this and will use user fees to make the debt payments. The TIF is for back-up purposes only – they have no plans to ever levy a tax. User fees are the first level of payment and if necessary, TIF revenues.

Questions by board members:
John: What is the strength of the user fees?
Greg: The landfill has been there for a long time. They charge $7 per ton and receive an annual income of $400,000 to $450,000. The maximum debt payment is under $155,000.

Recommendation:
Ken G. motioned to recommend approval of redevelopment district bonds in the amount of $1,405,000 for a term of fifteen (15) years. Lisa seconded and the motion carried 6-0-1 with Ken K. abstaining.